India's International Trade

462. SHRI PARAG CHALIHA: Will the Minister of COMMERCE be pleased to state:

(a) whether Goernment have had any assessment/impact of different kinds of sanctions and cuts imposed on India's international trade by different countries against India;

(b) if so, the conclusion thereof; and

(c) the details of effort made by Government to neutralise the same?

THE MINISTER OF COMMERCE (SHRI RAMAKRISHNA HEGDE): (a) to (c) Sir, trade sanctions have not been imposed by any country on India so far.

Agreement for Import of Wheat from Australia by STC

463. SHRI NARENDRA MOHAN: Will the Minister of COMMERCE be pleased to state:

(a) whether the State Trading Corporation of India and the Australian Wheat Board had signed an agreement for import of 1.5 million tonne of wheat from Australia;

(b) if so, whether the STC Board has now refused to ratify the contract, primarily because the contracted price is over $ 20 a tonne more than the then prevailing international price;

(c) if the above position correct, whether there has been allegation of commission being paid in this deal to the tune of Rs. 90/- crores; and

(d) whether import of wheat is at all necessary in view of comparatively good production of wheat in the country and likely procurement target of 11 to 12 million tones this year as compared to 9.S million tonne last year?

THE MINISTER OF COMMERCE (SHRI RAMAKRISHNA HEGDE): (a) Yes, Sir.

(b) No, Sir.

(c) Does not arise.

(d) Government constantly review the stock position of foodgrains in the Central Pool *vis-a-vis* the prescribed minimum buffer norms, production of foodgrains in the country, trend of procurement, requirement for the Public Distribution System/other welfare schemes, open market prices etc. and decision to import foodgrains is taken depending on the overall situation. Due to untimely rains during the sowing season, the Ministry of Agriculture had initially estimated that the production of wheat during the current Rabi season was likely to be 64.51 million tonnes as against the production of 69.27 million tonnes last year. Government has, therefore, decided to import upto 2.0 million tonnes of wheat during 1998-99 to build up adequate reserves for keeping the prices under control.

Trade Deflcit

464. SHRI NARENDRA MOHAN: Will the Minister of COMMERCE be pleased to state:

(a) the trade deficit during the lost three years;

(b) the projected trade deficit for the coming two years;

(c) the steps being proposed to be taken to bridge the increasing trade deficit; and

(d) whether there is any possibility in the near future when the trade deficit i.e., adverse balance of payment position would be bridged?

THE MINISTER OF COMMERCE (SHRI RAMAKRISHNA HEGDE): (a) According to the provisional data available from the DGCI&S the trade deficit in rupee terms and in dollar terms during the last three years is as given below:

Year	Trade Deficit	
	Rs. crore	US $ million
1995-96	-15182	-4539
1996-97	-19319	-5442
1997-98	-25268	-6799

(b) to (d) The trade deficit is the excess of imports over exports. Imports are influenced by requirements for industrial production and besides essential inputs like petroleum, fertilizers etc. The key to reducing trade deficit lies in accelerated export growth. Export promotion measures are continuously being taken by the Government to enhance the export growth of the country through policy liberalisation and simplification of procedures for providing an export friendly environment Export promotion is a continuous process based

on constant interaction with trade, industry and export promotion organisations.

Problems of Rubber Growers in Kerala

465. SHRI O. RAJAGOPAL: Will the Minister of COMMERCE be pleased to state:

(a) whether Government are aware of the problems of the rubber growers of Kerala;

(b) if so, the details thereof;

(c) what is the impact of the Exim Policy on these growers; and

,(d) what steps are proposed to be taken to mitigate their hardships?

THE MINISTER OF COMMERCE (SHRI RAMAKRISHNA HEGDE): (a) and (b) Yes, Sir. Due to the fall in consumption of Natural Rubber by the user industries, the price of natural rubber has been witnessing a dowanward trend since 1996.

(c) As per the current EXIM Policy, import •of natural rubber is in the Negative List and is allowed only against Advance Licence/Special Import Licence. However, there is no restriction on the export of natural rubber.

(d) In order to arrest the decline in rubber prices and to provide a remunerative price to the rubber planters, Government had instituted a market intervention operation through STC for procurement of 10,000 MT of Natural Rubber on Government Account. The Government has recently decided to procure an additional quantity of 20000 MT.

Impact of Exim Policy on Fishermen

466. SHRI O. RAJAGOPAL: Will the Minister of COMMERCE be pleased to state:

(a) whether Government have received any representation about the impact of Exim Policy on the traditional fishermen of the country;

(b) if so the details thereof;

(c) what is the impact of the policy on the export of marine products; and

(d) how Government propose to enhance the export of these products?

THE MINISTER OF COMMERCE (SHRI RAMAKRISHNA HEGDE): (a) and (b) The Government has not received any specific representation about the impact of EXIM Policy on the traditional fishermen of the country. However, the problems faced by the seafood processing industry were discussed and the suggestions made by the industry are under consideration.

(c) Precise impact of the recently announced Policy on sea food processing and export would be known only after some time but Govt, expects that the export target fixed will be met.

(d)Government has provided the following facilities under EXIM Policy for enhancing the export of marine products;

(i) Encouraging ecofriendly sustainable aqua culture through various development schemes;

(ii) Encouraging deversified fishing to step up export of commercially important underexploited species;

(iii) Encouraging better utilization of scarce raw-materials for production of value added marine products which can fetch higher unit value;

(iv) Encouraging modernisation of the existing processing plants;

(v) Allowing raw materials and packing materials duty free when used in the export of fish and sifh products.

(vi) Notifying the DEPB (Duty Entitlement Pass Book) rates applicable on the export of fish and fish products.

(vii) Reduction of the threshold value of Zero duty EPCG Scheme from Rs. 20 Crores to Rs. 1 Crore which should enable SSI and medium seafood processing units to procure essential machinry duty free at globally competitive prices.

India's Share of Export

467. SHRI SOLIPETA RAMACHANDRA REDDY: Will the Minister of COMMERCE be pleased to state:

(a) India's share of export in the International market;

(b) the reasons for India's low share; and

(c) the steps proposed to boost export;

THE MINISTER OF COMMERCE (SHRI RAMAKRISHNA HEGDE): (a) and (b) India's